

**THE CHANCERY COURT FOR LEWIS COUNTY  
AT HOHENWALD, TENNESSEE**

IN RE:

SENTINEL TRUST COMPANY

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NO. 4781

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**SENTINEL TRUST RECEIVER'S NOTICE OF FILING OF MEMORANDUM  
OF FORECLOSURE SALE CONCERNING MOTION FOR APPROVAL OF SALE  
OF HOUSTON COUNTY, GEORGIA FACILITY**

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On April 18, 2005, the Sentinel Trust Receiver filed a Motion for Approval of Sale of Houston County, Georgia Facility and to Certify Order Approving Sale as Final Pursuant to Rule 54.02 Tenn.R.Civ.P. At the time of the filing of that motion, the Sentinel Trust Receiver had not yet received a countersigned Memorandum of Foreclosure Sale as signed by the purchaser, Sonlar, LLC, but had attached as Exhibit A to that motion a copy of that document as signed by the Receiver.

Please take notice that attached to this filing is a fully-executed copy of the Memorandum of Foreclosure Sale countersigned by the purchaser, Sonlar, LLC. This is being filed so as to make complete the record in this matter in relation to the pending Motion for Approval of Sale of Houston County, Georgia Facility.

Respectfully submitted,

  
\_\_\_\_\_  
J. Graham Matherne, BPR #11294  
Wyatt, Tarrant & Combs, LLP  
2525 West End Avenue, Suite 1500  
Nashville, TN 37203-1423  
(615) 244-0020

*Counsel for Jeanne Barnes Bryant and Receivership  
Management, Inc., Receiver of Sentinel Company,  
in Liquidation*

**CERTIFICATE OF SERVICE**

This is to certify that on April 26<sup>th</sup>, 2005 a copy of the foregoing Notice of Filing has been sent by First Class U.S. Mail, postage paid, to:

Janet M. Kleinfelter  
Office of the Attorney General  
Financial Division  
425 5th Avenue North  
P.O. Box 20207  
Nashville, TN 37243

Carrol Kilgore  
Branstetter, Kilgore, Stranch & Jennings  
227 Second Avenue North  
4<sup>th</sup> Floor  
Nashville, TN 37201

Donald Schwendimann  
306 W. Main Street  
P.O. Box 366  
Hohenwald, TN 38462

Larry Stewart  
Stokes, Bartholomew, Evans & Petree  
424 Church Street, Suite 2800  
Nashville, TN 37219


David D. Peluso  
106 East Main Street  
Hohenwald, TN 38462

James S. Hereford, Jr.  
310 W. College Street  
P.O. Box 802  
Fayetteville, TN 37334-0802

William B. Hubbard  
Weed, Hubbard, Berry & Doughty  
SunTrust Bank Bldg., Suite 1420  
201 Fourth Avenue North  
Nashville, TN 37219

Diana M. Thimmig  
Roetzel & Andress  
1375 East Ninth Street  
One Cleveland Center, Ninth Floor  
Cleveland, OH 44114

James S. Chase  
John A. Decker  
Hunton & Williams LLP  
900 South Gay Street, Suite 2000  
P.O. Box 951  
Knoxville, TN 37901

  
\_\_\_\_\_  
J. Graham Matherne

### **MEMORANDUM OF FORECLOSURE SALE**

THIS MEMORANDUM OF FORECLOSURE SALE (the "Memorandum") is made and entered into on this the 5th day of April, 2005, by and between **SENTINEL TRUST COMPANY**, as assignee of **Houston County Development Authority**, as attorney-in-fact for **Grantley, Inc.**, acting under and by virtue of the power of sale contained in that certain **Deed to Secure Debt and Security Agreement**, dated **April 1, 1998**, recorded in **1352, Page 402 et seq.**, **Houston County Records**, acting through **Jeanne Barnes Bryant / Receivership Management, Inc.**, as **Receiver for Sentinel Trust Company** under **Order of the Commissioner of the Tennessee Department of Financial Institutions** dated **May 18, 2004**, party of the first part, hereinafter called the "Seller", and **SONLAR, LLC**, a Georgia limited liability company, whose address is **311 Margie Drive, Warner Robins, Georgia 31088**, party of the second part, hereinafter called the "Buyer."

#### **WITNESSETH: THAT;**

WHEREAS, Seller is the Trustee under a Deed to Secure Debt covering real and personal property located at **1010-A South Houston Lake Road, Warner Robins, Georgia 31088** (the "Property"); and

WHEREAS, Seller has offered the Property for sale to the highest and best bidder for cash, and Buyer was the successful bidder for Property at the foreclosure sale held within the legal hours of sale before the Courthouse Door of Houston County, Georgia, on **April 5, 2005**;

NOW, THEREFORE, in consideration of the foregoing premises, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

1. **Purchase Price and Deposit.** Buyer bid the amount of **\$2,500,000**, representing the purchase price of the Property, and hereby deposits with **H. DAVID MOORE**, as "Escrow

Agent," the amount of \$250,000 ("Deposit"), as partial payment of the purchase price, with the remainder of the purchase price being payable in cash or certified funds to Seller at closing. Closing shall occur at the offices of Seller's counsel, H. David Moore, Esq., 108 Olympia Drive, Suite 100, Warner Robins, Georgia 31093, within ten (10) calendar days of the date Seller obtains all necessary court approvals of the sale by final order. The Deposit shall be non-refundable to Buyer except on occurrence of any of the following:

(a) The failure of the Seller to provide Buyer with a certified copy of an order or judgment of a court of competent jurisdiction of the State of Tennessee approving the sale of the Property to Buyer on the terms and conditions of the Foreclosure Sale and this Memorandum entered within ninety (90) days from the date hereof, which order or judgment shall constitute a final determination of the validity and approval of the sale by the Receiver for Sentinel Trust Company; or

(b) The inability of the Seller to convey the Property to Buyer within ninety (90) days from the date hereof as a result of (i) the institution of voluntary or involuntary bankruptcy proceedings against Grantley, Inc., and the refusal of the Bankruptcy Court having jurisdiction to enter an order granting relief from the automatic stay or motion authorizing the subject sale of the Property, or (ii) the entry of the order of a court of competent jurisdiction of the parties and/or the Property enjoining or restraining the consummation of the sale of the Property to Buyer.

Upon the occurrence of any of the conditions set forth in (a) and (b) above, the Buyer shall be entitled to a refund of the Deposit paid herewith. If, however, the Seller provides Buyer with a certified copy of the order of the Tennessee court contemplated under (a) above, and neither of the events described in (b) above have occurred, and Buyer shall fail or refuse to close the

purchase within the time provided for herein, the Deposit shall be paid to the Seller as provided in accordance with the provisions of paragraph 5 hereof.

**2. Agreement to Sell Property to Buyer.** Seller, in consideration of the earnest money deposit and the payment in full of the remaining portion of the purchase price, does hereby agree to convey the interest that the Seller has a right to convey, pursuant to the Deed to Secure Debt and the exercise by Seller of the power of sale, by Deed Under Power of Sale (foreclosure deed) or other appropriate instrument of conveyance in accordance with the terms of the Deed to Secure Debt, to Buyer (or such person as Buyer may designate in writing), subject to the terms and conditions herein. It is understood that this is a sale of both real and personal property.

**3. Terms and Limitations Pertaining to Sale.** This conveyance is subject to the terms set forth in the Notice of Sale Under Power ("Foreclosure Sale Notice") and as verbally announced by Seller at the foreclosure sale, which are all incorporated by reference. Without limiting the above, the real property is being sold subject to any and all prior liens, claims, causes of action, rights, encumbrances, easements, plats, city and county property taxes, and other taxes and/or rights that may apply to the Property and as set forth in the Foreclosure Sale Notice.

**4. Condition of the Property.** As to the condition of the Property, it is sold as an "AS IS" basis, without warranty or representation whatsoever.

**5. Closing of Sale and Damages for Failure to Consummate.** If for any reason, Buyer fails to complete the purchase of the Property in accordance with the terms set forth above, Buyer acknowledges that Seller has relied upon the highest bid by Buyer and the damages suffered by Seller, in the event of breach of this Agreement with Buyer, would be impractical or extremely difficult to ascertain. Therefore, Seller shall be entitled to retain the Deposit as partial

liquidated damages for such breach, and also to, at Seller's option, obtain specific performance of this Memorandum. It is agreed that the sale of the Property will be adjourned pending the closing of the sale by Buyer and Seller. In the event Buyer fails to close as specified above, Seller, at its option, shall be entitled to specifically enforce this Memorandum or terminate this Memorandum and accept the next highest bid received at the sale, and Buyer shall be liable to Seller for the difference between the two bids, in addition to the forfeiture of the Deposit as stated above. Buyer shall pay all expenses incurred by Seller in enforcing this Memorandum, including all reasonable attorneys' fees.

6. **Miscellaneous Provisions.** Time is of the essence of this Memorandum and all conditions thereof. Jurisdiction and venue concerning any disputes pertaining to this Agreement lie around the state and federal counties located in or having jurisdiction over Warner Robins, Georgia. Georgia law controls this Agreement. All prior discussions and agreements pertaining to the subject matter herein are merged by reference. If any provision in this Agreement is declared void by a court of competent jurisdiction, it shall be considered severed and all remaining provisions remain in full force and effect.

7. **Additional Provisions.** The following are additional provisions that are part of this Memorandum:

- a. Buyer shall be responsible for all recording fees and any taxes associated with the transfer of the Property.
- b. Each party is responsible for their own attorney fees associated with the closing of the transaction.
- c. Buyer shall be responsible for the cost of any title insurance obtained in connection, with the purchase of the Property.

8. **Deposit; Escrow Agent's Responsibilities.** The "Terms and Conditions of Escrow; Escrow Agent's Responsibilities" attached hereto and marked as Exhibit "A" are by this reference thereto incorporated herein and made a part hereof for all purposes.

EXECUTED on the date set forth above.

SELLER:

SENTINEL TRUST COMPANY, as  
assignee of Houston County Development  
Authority, as attorney-in-fact for Grantley,  
Inc., acting under and by virtue of the power  
of sale contained in said Deed to Secure  
Debt

By: RECEIVERSHIP MANAGEMENT, INC.,  
as Receiver for Sentinel Trust Company

By:   
JEANNE BARNES BRYANT, President

BUYER:

SONLAR, LLC

By:   
LAWRENCE E. O'NEAL, Member

By:   
ROY WATSON, JR., Member

**EXHIBIT "A"**

**Terms and Conditions of Escrow; Escrow Agent's Responsibilities**

THIS AGREEMENT made and entered into on the date set forth below, by and between the undersigned Seller(s), the undersigned Purchaser(s) and H. DAVID MOORE, ESQ., as Escrow Agent.

**WITNESSETH: THAT;**

WHEREAS, Seller and Purchaser are parties under a certain Memorandum of Foreclosure Sale ("Memorandum") executed in connection with the non-judicial foreclosure by Seller, as attorney-in-fact for Grantley, Inc., of certain real property and personal property located in Houston County, Georgia, more particularly described in the Notice of Sale Under Power; and

WHEREAS, Seller and Purchaser have requested H. David Moore to act as Escrow Agent to hold the Deposit (as defined in the Memorandum), in accordance with the terms and provisions of the terms and conditions of escrow set forth below.

NOW, THEREFORE, for and in consideration of the premises, the covenants and agreements hereinafter set forth, and the sum of ONE DOLLAR and other good and valuable consideration, in hand paid, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Seller and Purchaser hereby appoint H. David Moore as Escrow Agent hereunder, and the Deposit is hereby delivered to Escrow Agent, who by signing below acknowledges its receipt, in the amount of \$250,000 payable to Escrow Agent; such receipt is made subject to the conditions of escrow set forth herein.

1. Escrow Agent SHALL HOLD THE DEPOSIT UNTIL WRITTEN RELEASE DISBURSEMENT INSTRUCTIONS ARE RECEIVED FROM SELLER AND PURCHASER. Escrow Agent shall only disburse the amount of the Deposit to Seller or Purchaser in accordance with the Memorandum and this Agreement.

2. By signing below, the Escrow Agent hereby agrees to hold, administer and disburse the Deposit pursuant to this Agreement as an independent agent and not as an agent of either party. Under no circumstances whatsoever shall the Deposit be deemed to belong to Seller unless and until Seller shall have a right to receive the Deposit in accordance with the terms and provisions of the Memorandum or this Agreement.

Escrow Agent shall hold such Deposit in an interest bearing account with a commercial bank, savings and loan association, credit union or other federal insured financial institution selected by the Escrow Agent (the "Depository"), whose deposits are insured by FDIC, FSLIC or NCUSIF (or other deposit insurance agency or authority). Any interest earned on the Deposit shall belong to and be payable to or for the benefit of the party to whom or for whose benefit the Deposit is finally paid or applied, at closing or otherwise in accordance with the terms and provisions of this Agreement or the Memorandum.

Escrow Agent shall disburse the Deposit only in accordance with the terms and provisions of the Memorandum, or under the terms and provisions this Agreement upon the Escrow Agent's receipt of any written directions or authorizations required hereunder, in which event the Escrow Agent shall disburse



the Deposit in accordance herewith. In the event of a dispute between Seller and Purchaser sufficient in the sole discretion of the Escrow Agent to justify his doing so, Escrow Agent shall be entitled to tender the Deposit into the registry or custody of any court of competent jurisdiction of the parties and the subject-matter, together with its complaint for interpleader, and thereupon the Escrow Agent shall be discharged from all further duties and liabilities hereunder. Seller and Purchaser shall indemnify Escrow Agent and hold Escrow Agent harmless from and against all its expenses, costs and reasonable attorney's fees incurred in connection with any interpleader action which Escrow Agent may file, in its sole discretion, to resolve any dispute as to the Deposit, or incurred in connection with any action filed by any party hereto against the Deposit or Escrow Agent. All such costs, expenses and attorney's fees, as well as any fees of Escrow Agent described hereinabove, may be charged against and deducted from the Deposit, by the prevailing party in any such litigation shall be entitled to recover from the other party any amounts paid by the prevailing party to the Escrow Agent pursuant to this paragraph.

In performing any of its duties hereunder, Escrow Agent shall not incur any liability to anyone for any damages, losses or expenses, except for willful default or breach of trust, and the Escrow Agent shall accordingly not incur any such liability with respect to (i) any action taken or omitted in good faith upon advise of its legal counsel given with respect to any questions relating to the duties and responsibilities of the Escrow Agent under this Agreement, or (ii) any action taken or omitted in reliance upon any instrument, including any written notice of instruction, direction or authorization provided for in this Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the trust and accuracy of any information contained therein, which Escrow Agent shall in good faith believe to be genuine, to have been signed or presented by a proper person or persons, and to conform with the provisions of this Agreement.

Seller and Purchaser shall and do hereby indemnify and hold Escrow Agent harmless from and against any and all actions, claims and costs (including court costs and reasonable attorney's fees) arising out of or in connection with the Deposit, excepting therefrom only those actions, claims and costs arising out of Escrow Agent's willful default or breach of trust.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the 5th day of April, 2005.

SELLER:

RECEIVERSHIP MANAGEMENT, INC., as  
Receiver for SENTINEL TRUST COMPANY  
under order of the Commissioner of the  
Tennessee Department of Financial Institutions,  
dated May 18, 2004

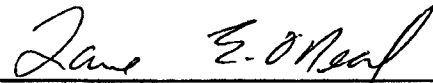
By:

  
JEANNE BARNES BRYANT, President

*{Additional Signatures Appear on Following Page}*

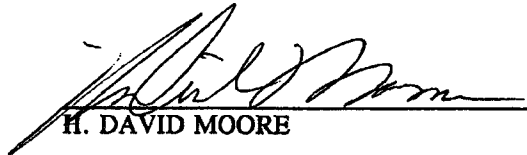
BUYER:

SONLAR, LLC

By:   
LAWRENCE E. O'NEAL, Member

By:   
ROY H. WATSON, JR. Member

ESCROW AGENT:

  
H. DAVID MOORE